

VERNON PARISH POLICE JURY
Leesville, Louisiana

Basic Financial Statements
(Primary Government)
and Independent Auditor's Reports
As of and for the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

VERNON PARISH POLICE JURY
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(Primary Government)
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As of and for the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended
December 31, 2013)

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Independent Auditor's Report

VERNON PARISH POLICE JURY
Leesville, Louisiana

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Parish Police Jury, Leesville, Louisiana, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the parish's primary government, as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

VERNON PARISH POLICE JURY
Leesville, Louisiana
Independent Auditor's Report
(Continued)

BASIS FOR ADVERSE OPINION ON AGGREGATE DISCRETELY PRESENTED COMPONENT UNITS AND
QUALIFIED OPINION ON AGGREGATE REMAINING FUND INFORMATION

The financial statements do not include financial data of the police jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the parish's primary government unless the parish also issues financial statements for the financial reporting entity that include financial data for its component units. The parish has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of aggregate discretely presented component units, which effects are not reasonably determinable, would have been presented. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by an amount that is also not reasonably determinable.

ADVERSE OPINION ON AGGREGATE DISCRETELY PRESENTED COMPONENT UNITS

In my opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the aggregate discretely presented component units of the police jury as of December 31, 2014, or the changes in financial position thereof for the year then ended.

QUALIFIED OPINION ON AGGREGATE REMAINING FUND BALANCE

In my opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the parish as of December 31, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

UNMODIFIED OPINIONS

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the parish as of December 31, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

REPORT ON SUMMARIZED COMPARATIVE INFORMATION

I have previously audited the December 31, 2013, financial statements, and I expressed an unmodified audit opinion on those audited financial statements in my report dated June 28, 2014. In my opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

VERNON PARISH POLICE JURY
Leesville, Louisiana
Independent Auditor's Report
(Continued)

OTHER MATTERS

Accounting principles generally accepted in the United States of America require that the supplementary information (Part I & II), as listed in the foregoing table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

OTHER SUPPLEMENTAL INFORMATION

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the police jury's basic financial statements. The combining and individual nonmajor fund financial statements and the accompanying Schedule of Expenditures of Federal Awards as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor financial statements, the Schedule of Expenditures of Federal Awards, the Schedule of Compensation Paid Police Jurors, and the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor financial statements and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

VERNON PARISH POLICE JURY
Leesville, Louisiana
Independent Auditor's Report
(Continued)

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, I have also issued my report dated June 30, 2015, on my consideration of the internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 30, 2015

REQUIRED SUPPLEMENTAL INFORMATION

PART I

VERNON PARISH POLICE JURY
Leesville, Louisiana
Management's Discussion and Analysis
December 31, 2014

The Management's Discussion and Analysis (MD&A) of the Vernon Parish Police Jury's financial performance provides an overview of the police jury's financial activities for the year ended December 31, 2014, with comparative totals for the year ended December 31, 2013. The MD&A is designed to focus on the current year's activities, resulting changes and currently known facts.

FINANCIAL HIGHLIGHTS

The assets (\$78.623 million) of the Vernon Parish Police Jury exceeded its liabilities (\$25.553 million) at the close of the most recent fiscal year by \$53.070 million (net position). Of this amount, \$6.690 million (unrestricted net position) may be used to meet the government's on-going obligations to citizens and creditors. The government's total net position decreased by \$1.735 million from the previous year.

At December 31, 2014, the Vernon Parish Police Jury's governmental funds reported combined ending fund balances of \$24.624 million, a decrease of \$5.731 million in comparison with the prior year's ending fund balance of \$30.365 million. The total fund balance in the general fund is \$5.177 million, a decrease of \$5.803 million from the prior year. The unrestricted fund balance in the general fund of \$2.748 million is available for spending at the government's discretion. Restricted fund balance in the general fund at year end is \$2.430 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Vernon Parish Police Jury's basic financial statements. The Vernon Parish Police Jury's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements.

The government-wide financial statements are designed to provide readers with a broad overview of the Vernon Parish Police Jury's finances, in a manner similar to a private-sector business. These statements for the first time, combine governmental fund's current financial resources with capital assets and long-term debt obligations.

The statement of net position presents information on all of the Vernon Parish Police Jury's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Vernon Parish Police Jury is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The focus on the statement of activities is on both the gross and net cost of various activities which are provided by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services.

The government-wide financial statements distinguish the different functions of the Vernon Parish Police Jury that is principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Vernon Parish Police Jury include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The Vernon Parish Police Jury does not at this time have any business-type activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentations more familiar. The focus now is on the major fund types rather than the non-major fund types. The Vernon Parish Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

VERNON PARISH POLICE JURY
Leesville, Louisiana
Management's Discussion and Analysis
(Continued)

Governmental Funds

These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Vernon Parish Police Jury maintains approximately 34 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Sanitary Landfill Fund, the Parishwide Maintenance Fund, Health Unit Maintenance Fund, Courthouse and Jail Maintenance Fund, Parishwide Overlay Fund, Library Maintenance Fund, Criminal Court Fund, and the Louisiana Workforce Investment Act Fund. At December 31, 2014, these nine funds are considered to be major funds of the police jury. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Vernon Parish Police Jury adopts an annual appropriated budget for its general, special revenue, and debt service funds. Budgetary comparison statements have been provided at the fund type level for the major funds to demonstrate legal compliance with these budgets.

The basic governmental fund financial statements can be found in the Basic Financial Statements Section of this financial report.

Fiduciary Funds

These funds are used to account for resources held for the benefit of the Parishwide Maintenance Fund, the Sanitary Landfill Fund, the Fire Protection District Fund, and the Tourist and Recreation Fund. The Police Jury's fiduciary funds consist of the Sales Tax Fund and the Hotel/Motel Tax Fund. These funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Vernon Parish Police Jury's own programs until transferred to the various funds in accordance with the applicable sales tax propositions. The basic fiduciary fund financial statement can be found in the Basic Financial Statements section of this report.

Infrastructure Assets

General capital assets include land, improvements to land, easements, buildings, vehicles, machinery and equipment, infrastructure, and all other intangible assets that are used in operations and that have initial useful lives greater than one year and exceed the government's capitalization threshold of \$5,000. The parish has capitalized all purchased general capital assets.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the Notes Section of this report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
Management's Discussion and Analysis
(Continued)

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Vernon Parish Police Jury's progress in funding its obligations. Required supplementary information can be found in the Required Supplementary section of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on the major fund's budgets.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Vernon Parish Police Jury, assets exceeded liabilities by \$53.070 million at the close of the most recent fiscal year.

A large portion of the Vernon Parish Police Jury's net position (approximately 63 per cent) reflects its investment in capital assets (land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Vernon Parish Police Jury uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Vernon's investment in its capital assets is reported net of related debt, it is not a spendable resource. The resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Vernon Parish Police Jury's Net Position

Total net position for Governmental activities are \$53.070 million. A portion of the Vernon Parish Police Jury's net position, net of related debt (\$42.246 million) represents an investment in capital assets and other resources (\$3.133 million) that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$6.690 million) may be used to meet the government's ongoing obligations to citizens and creditors. The following table presents, in millions, the statement of net position in a condensed format and provides a comparison with the previous year.

	2014	2013
<u>ASSETS</u>		
Current and other assets	\$25.607	\$31.297
Capital assets, net	53.016	45.322
Total Assets	<u>\$78.623</u>	<u>\$76.619</u>
<u>LIABILITIES</u>		
Current and other liabilities	\$2.275	\$2.136
Long-term liabilities	23.278	19.678
Total Liabilities	<u>25.553</u>	<u>21.814</u>
<u>NET POSITION</u>		
Invested in capital assets, net of related debt	43.246	35.813
Restricted	3.133	2.955
Unrestricted	6.690	16.036
Total Net Position	<u>\$53.069</u>	<u>\$54.804</u>

VERNON PARISH POLICE JURY
Leesville, Louisiana
Management's Discussion and Analysis
(Continued)

The results of current year's operations for the police jury are reported on the Statement of Activities. The following table presents, for the year ended December 31, 2014, condensed financial information (in millions) from that statement, with a comparison of activity for the year ended December 31, 2010.

	December 31	
	2014	2013
<u>Revenues</u>		
Program revenues:		
Charges for services	\$1.135	\$1.293
Operating grants and contributions	1.516	1.185
Capital grants and contributions	.048	.214
General revenues:		
Ad valorem taxes	5.323	5.655
Sales and use taxes	8.659	8.614
Federal grants	1.450	.786
State grants	2.051	2.130
Interest and investment earnings	.117	.187
Other general revenues	3.330	2.416
Total revenues	23.629	22.480
<u>Functions/Program Expenses</u>		
Current - general government:		
General government:		
Legislative	.534	.514
Judicial	1.648	1.508
Elections	.052	.084
Finance and administration	4.196	2.618
Other	2.512	3.129
Public safety	2.473	1.518
Public works	9.592	9.585
Health and welfare	.926	.855
Culture and recreation	2.003	2.093
Economic development and assistance	1.036	.883
Debt service	.392	.382
Total expenses	25.364	23.169
Increase in net position	\$(1.735)	\$(0.689)

VERNON PARISH POLICE JURY
Leesville, Louisiana
Management's Discussion and Analysis
(Continued)

Governmental Activities

Sales taxes received this year were \$8.659 million, an increase of \$.045 million over the previous year. Ad valorem taxes collected were \$5.323 million, down by \$.332 million. Unrestricted State grants and entitlements were \$2.051 million, a decrease of \$.078 million. Unrestricted Federal grants were \$1.458 million, an increase of \$.663 million.

Grant money passing through the Louisiana Department of Labor and the Louisiana Department of Education to fund the operations of the Louisiana Workforce Investment Act for its Welfare to Work Program, Adult Program, Youth Activities Program, Dislocated Workers Program, and Administration amounted to \$.720 million for 2014. This was an increase of \$.081 million from the previous year.

Financial Analysis of the Government's Funds

As noted earlier, the Vernon Parish Police Jury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Vernon Parish Police Jury's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Vernon Parish Police Jury's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Vernon Parish Police Jury's governmental funds reported combined ending fund balances of approximately \$24.624 million, a decrease of \$.731 million from the previous year. Total fund balance for the general fund is \$5.177 million. The unreserved fund balance in the general fund, \$2.748 million, which constitutes an amount which is available for spending at the government's discretion. The remainder of fund balance is in special purpose funds to indicate that it is not necessarily available for new spending because it has already been committed to pay debt service, \$1.098 million, and employee health benefits \$2.427 million and for a variety of other special purposes for which the funds were created, Special Revenue Funds, \$18.351 million.

The general fund is the chief operating fund of the Vernon Parish Police Jury. At the end of the current year, total fund balance of the General Fund was \$5.177 million. The fund balance of the Vernon Parish Police Jury's General Fund decreased by \$.731 million from the previous year.

Budgetary Highlights

The major funds of the Vernon Parish police Jury includes the governmental funds presented on Statements C and E of the police jury's basic financial statements. Budgetary comparisons for these major funds is presented, as required supplemental information, on Schedules 1 through 8 of the police jury's basic financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana
Management's Discussion and Analysis
(Continued)

Capital Asset and Debt Administration

Capital Assets

The Vernon Parish Police Jury's investment in capital assets for its governmental activities at December 31, 2014, amounts to \$53.016 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure added this year. Retroactive infrastructure has been included in these financial statements. Additional information on Vernon Parish Police Jury's capital assets can be found in Note section of this report. The following table shows capital assets (in millions), net of accumulated depreciation, for this year as compared to the previous year.

	2014	2013
Land	\$1.696	1.696
Construction-in-progress	7.715	
Buildings and improvements	6.171	6.349
Machinery and equipment	8.674	8.930
Infrastructure	28.173	27.802
Library book collection	.586	.545
Totals	<u>\$53.015</u>	<u>\$45.322</u>

Debt Administration

At December 31, 2014, the Vernon Parish Police Jury had total debt outstanding of \$2.178 million. Of this amount, \$8.088 million is comprised of general obligation bonds, debt which is legally restricted from exceeding 10 per cent of the assessed value of taxable property in the parish, capital leases, \$1.681 million, and other postemployment benefits, \$14.408 million. Additional information on the Vernon Parish Police Jury's long-term debt can be found in the Note section of this report.

Economic Factors and Next Years Budgets and Rates

Vernon Parish is the third largest parish in Louisiana with a total land area of 1,328.5 square miles or 850,245 acres. The parish is heavily dependent upon the continued success and operation of the Fort Polk Joint Readiness Training facility. This facility currently employs approximately 4,700 employees. Other major employers of the parish are the Vernon Parish School Board-1,454 employees, Bayne Jones Hospital-401, Walmart, Byrd Hospital, and the Police Jury-200+, and the Vernon Parish Sheriff's Office-145.

Requests for Information

This financial report is designed to provide a general overview of the Vernon Parish Police Jury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Vernon Parish Police Jury, ATTN: Secretary/Treasurer, P.O. 1548, Louisiana, 71466.

VERNON PARISH POLICE JURY
LEESVILLE, LOUISIANA

BASIC FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2014, AND FOR THE YEAR THEN ENDED
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

VERNON PARISH POLICE JURY
Leesville, Louisiana

Statement of Net Position
December 31, 2014
(With Comparative Totals For December 31, 2013)

	2014	2013
ASSETS		

Cash and cash equivalents	\$17,372,780	\$23,897,070
Investments, at fair market value	1,246,151	1,246,021
Receivables	6,948,566	6,132,255
Interfund receivables		
Other	39,589	21,627
Capital assets (net of accumulated depreciation):		
Land	1,695,977	1,695,977
Construction in progress	7,715,076	
Buildings and improvements	6,171,031	6,348,922
Furniture and equipment	8,673,574	8,930,284
Infrastructure	28,172,702	27,802,037
Library book collection	587,324	544,834
	-----	-----
TOTAL ASSETS	\$78,622,770	\$76,619,027
	=====	=====
LIABILITIES		

Accounts, salaries, and other payables	\$937,890	\$831,526
Interfund payables		
Deferred revenue	44,879	110,008
Interest payable	392,394	382,172
Long-term liabilities:		
Due within one year	899,766	812,070
Due in more than one year	23,278,107	19,678,827
	-----	-----
Total Liabilities	25,553,036	21,814,603
	-----	-----
NET POSITION		

Invested in capital assets, net of related debt	43,245,853	35,813,460
Restricted for:		
Debt service	705,876	740,979
Employee benefits	2,427,545	2,213,890
Unrestricted	6,690,459	16,036,096
	-----	-----
TOTAL NET POSITION	\$53,069,734	\$54,804,424
	=====	=====

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana

Statement of Activities
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

		PROGRAM REVENUES		2014	2013
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
FUNCTIONS/PROGRAMS	EXPENSES				
Governmental activities:					
General government:					
Legislative	\$534,105			(\$534,105)	(\$514,101)
Judicial	1,647,975	\$705,992	\$77,419	(864,564)	(615,918)
Elections	51,780			(51,780)	(83,787)
Finance and administrative	4,195,643	280,732	0	(3,914,911)	(2,315,748)
Other	2,512,216			(2,512,216)	(3,128,836)
Public safety	2,473,429	0	222,225	(2,251,204)	(1,294,314)
Public works	9,592,270	14,804	796,694	(8,780,772)	(8,972,940)
Health and welfare	926,148		231,680	(694,468)	(633,567)
Culture and recreation	2,002,736	133,210	129,460	(1,740,065)	(1,918,710)
Economic development and assistance	1,037,255		61,030	(928,265)	(618,124)
Debt service	392,394			(392,394)	(382,172)
Total Governmental Activities	25,365,951	1,134,739	1,518,507	(22,664,746)	(20,478,217)
General revenues:					
Taxes:					
Property taxes, levied for general purposes				4,699,300	5,068,036
Property taxes, levied for debt services				623,417	587,004
Sales and use taxes, levied for general purposes				8,659,295	8,614,270
Grants and contributions not restricted to specific purposes:					
Federal grant programs				1,450,058	786,815
State grant programs				2,051,064	2,129,891
Interest and investment earnings				116,649	187,464
Miscellaneous				3,330,271	2,416,157
Total general revenues and special items				20,930,055	19,789,637
Changes in net position				(1,734,690)	(688,580)
Net position - beginning				54,804,424	55,493,004
Net position - ending				\$53,069,734	\$54,804,424

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
December 31, 2014
(With Comparative Totals at December 31, 2013)

	GENERAL FUND	PARISHWIDE MAINTENANCE FUND	SANITARY LANDFILL FUND	HEALTH UNIT MAINTENANCE FUND	COURTHOUSE AND JAIL MAINTENANCE FUND	PARISHWIDE OVERLAY FUND	CRIMINAL COURT FUND
ASSETS							
Cash and cash equivalents	\$4,211,242	\$587,625	\$1,650,080	\$1,412,702	\$709,944	\$1,568,172	\$43,547
Investments, at fair value			698,017		548,134		
Receivables	563,762	783,049		456,897	1,497,573		29,816
Interfund receivables	779,969						
Other							
TOTAL ASSETS	\$5,554,973	\$1,370,674	\$2,348,097	\$1,869,599	\$2,755,651	\$1,568,172	\$73,363
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts, salaries, and other payables	265,826	\$110,878	\$210,075	\$45,698	\$10,556	\$58,943	\$5,086
Interfund payables	111,738				18,019		46,829
Deferred revenues							
Total Liabilities	377,564	110,878	210,075	45,698	28,575	58,943	51,915
Fund balances:							
Restricted for:							
Legislative							
Judicial	2,066						21,448
Finance and administrative							
Other general government					2,727,076		
Public safety							
Public works		1,259,797	2,138,022			1,509,228	
Health and welfare				1,823,902			
Culture and recreation							
Debt service							
Employee benefits	2,427,545						
Unassigned	2,747,798						
Total Fund Balances	5,177,409	1,259,797	2,138,022	1,823,902	2,727,076	1,509,228	21,448
TOTAL LIABILITIES AND FUND BALANCES	\$5,554,973	\$1,370,674	\$2,348,097	\$1,869,599	\$2,755,651	\$1,568,172	\$73,363

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana

GOVERNMENTAL FUNDS

Balance Sheet

December 31, 2014

(With Comparative Totals at December 31, 2013)

	LIBRARY MAINTENANCE FUND	WORKFORCE INVESTMENT ACT FUND	OTHER GOVERNMENTAL FUNDS	2014	2013
ASSETS					
Cash and cash equivalents	\$1,229,447	\$13,395	\$5,946,626	\$17,372,780	\$23,897,070
Investments, at fair value				1,246,151	1,246,021
Receivables	1,116,860	10,948	2,489,661	6,948,566	6,132,255
Interfund receivables			136,500	916,469	50,148
Other		39,589		39,589	21,627
TOTAL ASSETS	\$2,346,307	\$63,932	\$8,572,787	\$26,523,555	\$31,347,121
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	\$55,952	\$27,489	\$147,387	\$937,890	\$831,526
Interfund payables			739,883	916,469	50,148
Deferred revenues		36,443	8,436	44,879	110,008
Total Liabilities	55,952	63,932	895,706	1,899,238	991,683
Fund balances:					
Restricted for:					
Legislative			547,417	547,417	488,571
Judicial				23,514	26,614
Finance and administrative			113,630	113,630	
Other general government			3,174,542	5,901,618	6,089,082
Public safety			2,033,652	2,033,652	1,942,288
Public works			166,391	5,073,438	5,159,619
Health and welfare			534,651	2,358,552	2,271,253
Culture and recreation	2,290,355		8,527	2,298,882	2,275,298
Debt service			1,098,271	1,098,271	1,123,151
Employee benefits				2,427,545	2,213,890
Unassigned				2,747,798	8,765,673
Total Fund Balances	2,290,355	NONE	7,677,081	24,624,317	30,355,439
TOTAL LIABILITIES AND FUND BALANCES	\$2,346,307	\$63,932	\$8,572,787	\$26,523,555	\$31,347,121

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
December 31, 2014
(With Comparative Totals at December 31, 2013)

		2014	2013
		-----	-----
Total Fund Balances - Governmental Funds		\$24,624,317	\$30,355,439
Cost of capital assets	\$98,663,943		
Less - accumulated depreciation	(45,648,259)	53,015,684	45,322,054

Long-term liabilities:			
Bonds and certificates of indebtedness payable	(8,088,000)		
Capital lease agreements	(1,681,830)		
Other postemployment benefits	(14,408,042)	(24,177,872)	(20,490,897)

Interest payable - current		(392,396)	(382,172)
		-----	-----
Net Assets		\$53,069,734	\$54,804,424
		=====	=====

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUNDSStatement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	GENERAL FUND	PARISHWIDE ROAD MAINTENANCE FUND	SANITARY LANDFILL FUND	HEALTH UNIT MAINTENANCE FUND	COURTHOUSE AND JAIL MAINTENANCE FUND	PARISHWIDE OVERLAY FUND
REVENUES						
Taxes:						
Ad valorem	\$415,473	\$563,078		\$416,765	\$1,048,712	
Sales and use		1,430,284	\$5,721,136			
Other taxes, licenses, and interest	145,143					
Licenses and permits	280,732	1,500				
Intergovernmental revenues:						
Federal funds	56,137	172,309				
State funds	1,299,345	50,018		31,874	80,668	
Local funds	16,575					
Fees, charges, and commissions for services	13,304					
Fines and forfeitures	35,632					
Use of money and property	28,505	63,225	947	3,111	2,035	\$800
Other revenues	1,708,465	21,599			40	
Total revenues	3,999,311	2,302,012	5,722,083	451,750	1,131,455	800
EXPENDITURES						
Current						
General government:						
Legislative	534,105.43					
Judicial	485,897.64					
Elections	31,756.79					
Finance and administrative	680,931.24					
Other	1,324,285.45				1,106,829	
Public safety	30,296.31			97,080		
Public works	5,988,622.72	3,794,393	2,725,082			1,240,744
Health and welfare	44,557.54			209,011		
Culture and recreation	150,823.92					
Economic development and assistance	238,698.58					
Intergovernmental						
Capital outlay						
Debt service						
Total expenditures	9,509,976	3,794,393	2,725,082	306,092	1,106,829	1,240,744
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(5,510,665)	(1,492,381)	2,997,001	145,659	24,626	(1,239,943)

The accompanying notes are an integral part of these financial statements.

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	GENERAL FUND	PARISHWIDE ROAD MAINTENANCE FUND	SANITARY LANDFILL FUND	HEALTH UNIT MAINTENANCE FUND	COURTHOUSE AND JAIL MAINTENANCE FUND	PARISHWIDE OVERLAY FUND
OTHER FINANCING SOURCES (Uses)						
Operating transfers in	91,814	610,004				1,359,876
Operating transfers out	(387,838)		(2,969,880)	(150,855)	(27,396)	
Increase in long-term debt		664,355				
Sale of capital assets	3,301.00	1,281				
Insurance recoveries						
Total other financing sources (uses)	(292,722)	1,275,640	(2,969,880)	(150,855)	(27,396)	1,359,876
NET CHANGE IN FUND BALANCE	(5,803,387)	(216,741)	27,121	(5,196)	(2,770)	119,933
FUND BALANCE AT BEGINNING OF YEAR	10,980,796	1,476,538	2,110,901	1,829,098	2,729,846	1,389,296
FUND BALANCES AT END OF YEAR	\$5,177,409	\$1,259,797	\$2,138,022	\$1,823,902	\$2,727,076	\$1,509,228

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

					2013	2013
	CRIMINAL COURT FUND	LIBRARY MAINTENANCE FUND	WORKFORCE INVESTMENT ACT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes:						
Ad valorem		\$1,018,758		\$1,859,932	\$5,322,718	\$5,655,041
Sales and use				1,507,875	8,659,295	8,614,270
Other taxes, licenses, and interest				309,000	454,143	434,995
Licenses and permits					282,232	302,516
Intergovernmental revenues:						
Federal funds			\$719,587	1,121,502	2,069,534	1,313,887
State funds		138,192		1,397,957	2,998,054	3,002,202
Local funds		8,052			24,627	23,723
Fees, charges, and commissions						
for services		26,399		273,016	312,719	346,887
Fines and forfeitures	\$499,655				535,288	643,536
Use of money and property	2	1,283		16,742	116,649	187,464
Other revenues		35,240	149	80,257	1,845,749	1,717,822
Total revenues	499,657	1,227,924	719,735	6,566,281	22,621,009	22,242,343
EXPENDITURES						
Current						
General government:						
Legislative					534,105	514,101
Judicial	815,325			346,752	1,647,975	1,508,435
Elections				20,023	51,780	83,787
Finance and administrative				88,972	769,903	686,330
Other				69,926	2,501,040	2,979,609
Public safety				2,346,052	2,473,429	2,013,193
Public works				3,007,577	16,756,419	9,851,479
Health and welfare				672,579	926,148	855,271
Culture and recreation		1,084,212		767,700	2,002,736	2,128,504
Economic development and assistance			719,735	78,821	1,037,255	883,329
Intergovernmental						
Capital outlay						
Debt service				657,093	657,093	917,852
Total expenditures	815,325	1,084,212	719,735	8,055,495	29,357,882	22,421,890
EXCESS (Deficiency) OF REVENUES OVER	(315,667)	143,712	NONE	(1,489,215)	(6,736,873)	(179,547)
EXPENDITURES						

The accompanying notes are an integral part of these financial statements.

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

					2013	2013
	CRIMINAL COURT FUND	LIBRARY MAINTENANCE FUND	WORKFORCE INVESTMENT ACT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
OTHER FINANCING SOURCES (Uses)						
Operating transfers in	340,000			1,213,884	3,615,578	3,410,781
Operating transfers out	(28,265)	(29,315)		(22,030)	(3,615,578)	(3,410,781)
Increase in long-term debt				324,505	988,860	546,618
Sale of capital assets				11,081	15,662	127,056
Insurance recoveries				1,229	1,229	112,560
Total other financing sources (uses)	311,735	(29,315)	NONE	1,528,669	1,005,752	786,235
NET CHANGE IN FUND BALANCE	(3,932)	114,397	NONE	39,454	(5,731,122)	606,688
FUND BALANCE AT BEGINNING OF YEAR	25,380	2,175,958	NONE	7,637,627	30,355,439	29,748,750
FUND BALANCES AT END OF YEAR	\$21,448	\$2,290,355	NONE	\$7,677,081	\$24,624,317	\$30,355,439

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
Leesville, Louisiana

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2015)

	2014	2013
	-----	-----
Total net change in fund balances - governmental funds	(\$5,731,122)	\$606,688
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:		
Capital outlays	\$11,453,627	
Depreciation expense	(3,759,997)	7,693,630
	-----	658,718
Repayment of bond principal, bank loans, and capital leases is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Assets:		
Debt service on outstanding principal and interest		657,093
		906,738
Issuance and servicing of long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because the initial proceeds are recognized as an other financing source thereby providing a source of current financial resources and the interest expense is recognized as an expenditure in the funds when it is paid, and thus requires the use of current financial resources. In the Statement of Activities, however, the initial proceeds is recognized a liability and interest expense is recognized as the interest accrues, regardless of when it is due:		
Proceeds from long-term debt	(988,860)	
Interest expense	(392,394)	(1,381,254)
	-----	(928,790)
In the Statement of Activities, certain expenses relating to other post employment benefits are measured by the amounts incurred during the year, but in the Governmental Funds expenditures for these items are measured by the amount of financial resources used.		
	(2,973,037)	(1,931,934)
	-----	-----
Change in net assets of governmental activities	(\$1,734,690)	(\$688,580)
	=====	=====

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 FIDUCIARY FUND - SALES AND HOTEL/MOTEL
 TAX AGENCY FUND

Statement of Fiduciary Net Position
 June 30, 2014
 (With Comparative Totals, December 31, 2013)

	2014	2013
ASSETS	-----	-----

Cash and cash equivalents	\$225,152	\$249,427
Receivables	922,776	806,084
	-----	-----
TOTAL ASSETS	\$1,147,928	\$1,055,511
	=====	=====
LIABILITIES		

Accounts payable		
Deposits due others	\$1,147,928	\$1,055,511
	-----	-----
TOTAL LIABILITIES	\$1,147,928	\$1,055,511
	=====	=====

The accompanying notes are an integral part of these financial statements.

VERNON PARISH POLICE JURY
(Primary Government)
Leesville, Louisiana

Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2014

INTRODUCTION

The Vernon Parish Police Jury is the governing authority for Vernon Parish and is a political subdivision of the State of Louisiana. The police jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January 2016.

Louisiana Revised Statute 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, to regulate the construction and maintenance of roads and bridges, to regulate the construction and maintenance of drainage systems, to regulate the sale of alcoholic beverages, and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Vernon Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the police jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the police jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. In accordance with GASB Statement 14, the reporting entity of Vernon Parish consist of the primary government (police jury), organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement 14 established criteria for determining which component units should be considered part of the Vernon Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Additional criteria includes appointing a majority of the organization's governing board, organizations that are fiscally dependent on the police jury, and organizations, if omitted, would result in misleading if data of the organization is not included because of the nature or significance of the relationship.

VERNON PARISH POLICE JURY
Primary Government
Leesville, Louisiana
Notes to the Basic Financial Statements
(Continued)

Based on the aforementioned criteria, the police jury as determined that the Vernon Parish Assessor, the Vernon Parish Clerk of Court, the Vernon Parish Sheriff, the West Louisiana Forestry Festival, Fire District No. 1, the Vernon Parish Arena District, the West Vernon Parish Waterworks District, the Ward 4 Water and Sewer Commission, the South Vernon Waterworks District, the Vernon Parish Tourism and Recreation Commission, the Vernon Parish Library, the Vernon Game and Fish Commission, the Pitkin Gas Utility District No. 1, the Vernon Parish Housing Authority, the Museum of West Louisiana, the Vernon Career Solutions Center (LWIA) are component units of the Vernon Parish Reporting entity.

Considered in the determination of potential component units was the Vernon Parish School Board, the District Attorney for the Thirtieth Judicial District, the Thirtieth Judicial District Court, and various municipalities in the parish. It was determined that these governmental entities are not component units of the Vernon Parish reporting entity because they have separately elected governing bodies, and are fiscally independent of the Vernon Parish Police Jury.

Governmental Accounting Standards Board (GASB) Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as discussed in the following paragraph, that comprise the reporting entity are included in the accompanying financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

The primary government (police jury) financial statements include all funds and organizations for which the police jury maintains the accounting records as these organizations are considered a part of the primary government and include the West Louisiana Forestry Festival, the Fire District No. 1, the Vernon Parish Arena District, the Vernon Parish Tourism and Recreation Commission, the Vernon Parish Library, and the Vernon Career Solutions Center (LWIA).

C. FUNDS

The police jury uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain police jury functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the police jury are classified as follows:

Governmental Funds

Governmental funds account for all or most of the police jury's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the police jury. The following are the police jury's primary governmental funds:

VERNON PARISH POLICE JURY
Primary Government
Leesville, Louisiana
Notes to the Basic Financial Statements
(Continued)

General Fund -- the general operating fund of the police jury and accounts for all financial resources, except those required to be accounted for in other funds.

Special revenue funds -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt service funds -- account for transactions relating to resources retained and used for the payment of principal and interest on general long-term debt recorded in the general long-term debt account group.

Capital projects funds -- account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements - include the Statement of Net Position (Statement A) and the Statement of Activities (Statement B). These financial statements report the financial position and results of operations for the police jury as a whole. Fiduciary funds are not included at this level, as they are only reported in the Statement of Fiduciary Net Position at the fund financial statement level.

The Government-Wide Financial Statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the police jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the police jury's general revenues.

Allocation of Indirect Expenses - The police jury reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

VERNON PARISH POLICE JURY
Primary Government
Leesville, Louisiana
Notes to the Basic Financial Statements
(Continued)

Fund Financial Statements - governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. Fund financial statements report detailed information about the police jury. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The police jury considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state entitlements (which includes state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Expenditure driven Federal and state grants are recorded as restricted grants-in-aid when the reimbursable expenditures have been incurred.

Food service income is recorded when collected. All food services income applicable to an accounting period is collected during the fiscal year.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. Taxes are normally collected in December, January, and February of the fiscal year.

Sales and use taxes are recorded in the month collected by the Vernon Parish School Board (collection agent) or by the Louisiana Department of Public Safety and Corrections, Public Safety Services.

Interest earnings on time deposits are recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recorded when they are available to the police jury.

Based on the above criteria, federal and state entitlements, ad valorem taxes, and sales and use tax are treated as susceptible to accrual by the police jury.

VERNON PARISH POLICE JURY
Primary Government
Leesville, Louisiana
Notes to the Basic Financial Statements
(Continued)

Expenditures

Salaries are recorded as expenditures when earned.

Purchases of various operating equipment and supplies are recorded as expenditures in the accounting period they are purchased.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Transfers between funds that are not expected to be repaid, sale of assets, and proceeds from the sale of bonds are accounted for as other financing sources (uses). These transactions are recognized at the time the underlying events occur.

Deferred Revenues

The police jury reports deferred revenues on its fund financial statements balance sheet. Deferred revenues arise when resources are received by the police jury before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the police jury has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

E. BUDGETS

The police jury adopts annual budgets on the General Fund and special revenue funds. The proposed budgets are prepared by the secretary/treasurer and the finance committee of the police jury during October/November of each year. During November/December, the availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are advertised in the official journal. At its meeting in December, the police jury holds a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the results of the public hearing and the desires of the police jury as a whole. The budgets are then adopted, and notice is published in the official journal.

The budgets are prepared on the modified accrual basis of accounting and all appropriations lapse at year end. Encumbrances are not formally recognized within the accounting system for budgetary control purposes; however, outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded. Formal budgetary integration (within the accounting records) is employed as a management control device.

The secretary/treasurer is authorized to transfer amounts between line items within a fund; however, when requested by the police jury, budgetary comparisons are prepared and presented to the police jury during a regular meeting. The police jury reviews these comparisons and proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in the police jury minutes published in the official journal. Budget amounts included in the accompanying financial statements include the final amended budget amounts.

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F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those income-producing items with original maturities of usually 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, the police jury may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. INVESTMENTS

In accordance with Louisiana Revised Statute (LSA-R.S.) 32:2955, the police jury, upon determination of the availability of funds in excess of immediate cash requirements by its treasurer or chief financial officer and in the exercise of prudent judgment, may invest in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness guaranteed by federal agencies or United States government instrumentalities, provided that such obligations are backed by the full faith and credit of the United States government; and savings accounts and certificates of deposit of state banks organized under the laws of Louisiana or national banks having their principal offices in the state of Louisiana. Additionally, the police jury may invest in mutual or trust fund institutions (limited to 25 per cent of the funds considered available for investment under this section) provided that they are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the investment Act of 1940 and have underlying investments consisting solely of securities of the United States government or its agencies. Investments are stated at fair value.

I. INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods and services provided or rendered. These receivables and payables are classified as interfund receivables and payables on the fund financial statements but are eliminated for reporting purposes on the government-wide financial statements.

J. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$5,000 or more for capitalizing capital assets for reporting purposes. Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the police jury, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land and construction in progress, are depreciated using a composite group rate which is applied to similar assets for the purpose of calculating depreciation expense. Interest costs on debt used to finance the construction of capital assets are not capitalized.

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Notes to the Basic Financial Statements
(Continued)

K. COMPENSATED ABSENCES

Employees of the Vernon Parish Police Jury earn from 5 to 15 days of vacation leave each year, depending on their length of service. Vacation leave earned must be taken in the following year. Employees earn one day of sick leave for each month of service. A maximum accumulation of 40 days of sick leave is allowed. Accumulated sick leave is forfeited upon termination of employment.

Employees of the Vernon Parish Library earn from 12 to 22.5 days of vacation leave each year, depending on their length of service. Unused vacation leave cannot be carried forward, except under unusual circumstances. Employees are not paid for unused vacation leave upon termination of employment. All full-time employees earn 10 days of sick leave each year. Employees are permitted to carry forward five days of unused sick leave to the next year up to a maximum of 90 days. Employees are not paid for unused sick leave upon termination of employment.

All full-time employees of the Thirtieth Judicial District Criminal Court earn two weeks of vacation leave each year. Vacation leave must be taken in the year earned. Employees are entitled to pay during reasonable periods of illness.

Based on the aforementioned policies, there are no accumulated or vested benefits relating to compensated absences, at December 31, 2014, that require accrual or disclosure to conform with generally accepted accounting principles.

L. RESTRICTED NET POSITION

For government-wide statement of net position, net position is reported as restricted when constraints placed on net asset use are either, externally imposed by creditors (such as debt covenants, construction contracts, etc.), grantors, contributors, or laws or regulations of other governments and/or imposed by law through constitutional provisions or enabling legislation.

M. FUND EQUITY

The police jury implemented the requirements of GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement provides more clearly defined fund balance categories to make the nature and extent of constraints placed on government's fund balance more transparent. The following classifications describe the relative strength of spending constraints:

Nonspendable Fund Balance - amounts that are not in spendable form; i.e., inventory, prepaid expenses, etc.

Restricted Fund Balance - amounts constrained to specific purposes by their providers; i.e., grantors, bondholders, and higher levels of government through constitutional provision or enabling legislation.

Committed Fund Balance - amounts constrained to specific purposes, by the library, using the highest level of decision-making authority. These fund balances can not be used for any other purpose unless the police jury takes the same highest level action to remove or modify the constraint.

Assigned Fund Balance - amounts the police jury intends to use for a specific purpose. Intent is expressed by the police jury.

Unassigned Fund Balance - amounts that are available for unrestricted expenditure. Positive amounts are reported only in the General Fund.

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The police jury, establishes fund balance commitments and assignments by passage of an ordinance or resolution, typically uses restricted fund balances first, followed by committed, assigned, and unassigned fund balances when an expenditure is incurred for purposes for which amounts in any of these classifications could be used.

N. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the police jury, which are either unusual in nature or infrequent in occurrence.

O. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

P. SALES TAXES

The Vernon Parish School Board is authorized to collect, within Vernon Parish, the following sales and use taxes for the benefit of the Vernon Parish Police Jury:

On April 23, 2007, the voters of the parish approved the renewal and rededication of a one (1%) per cent sales and use tax. The tax is for ten-year period, from April 1, 2007, and may be used to fund and retire bonds as provided by Louisiana Revised Statute 39:698. The proceeds of the one (1%) per cent tax, after paying cost to collect and administer the tax, are dedicated and used to pay the costs of:

- a. Collecting and disposing of solid waste for the entire parish, including operating and maintaining a parish recycling center/waste tipping center;
- b. Retaining a dedicated reserve for solid waste purposes of a least six (6) months budgeted costs;
- c. The balance may be used for constructing, improving, maintaining, and/or operating public buildings, hard surface roads and bridges in the parish and acquiring equipment therefor.

On November 12, 2007, the voters of the parish approved the renewal of a one-half (1/2%) per cent sales and use tax. The tax is for ten-year period, from April 1, 2007, and may be used to fund and retire bonds as provided by Louisiana Revised Statute 39:698. The proceeds of the one-half per cent tax, after paying costs to collect and administer the tax are to be used as follows:

- a. Fifty per cent of the proceeds of the tax (one-quarter of one per cent) is used to construct, improve, and maintain public roads, highways, and bridges in the parish.
- b. Fifty per cent of the proceeds of the tax (one-quarter of one per cent) is used to construct, acquire, improve, maintain, and operate parishwide fire protection facilities.

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Q. HOTEL/MOTEL TAX

As provided by Louisiana Revised Statute 33:4574, the police jury has levied a three per cent tax on the occupancy of all hotel/motel rooms and overnight camping facilities in the parish. Proceeds of the tax, less collection costs, are distributed to the Vernon Parish Tourist and Recreation Commission for the promotion of tourism in Vernon Parish.

R. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

At December 31, 2014, the police jury has cash and cash equivalents (book balance) as follows:

<u>Governmental Funds</u>	
Petty cash	\$575
Interest-bearing demand deposits	15,392,440
Time and certificates of deposit	<u>1,979,765</u>
Total	<u>17,372,780</u>
<u>Agency Funds</u>	
Interest-bearing demand deposits	<u>225,152</u>
Total Cash and equivalents	<u><u>\$17,597,932</u></u>

The collected bank balances (cash and cash equivalents), at December 31, 2014, are secured as follows:

<u>Description</u>	<u>Category</u>			<u>Bank</u>	<u>Book</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Balance</u>	<u>Balance</u>
Demand deposits	\$750,000	NONE	\$15,692,040	\$16,442,040	\$15,617,592
Time & certificates of deposit	<u>500,000</u>	<u>NONE</u>	<u>1,479,765</u>	<u>1,979,765</u>	<u>1,979,765</u>
Totals	<u>\$1,250,000</u>	<u>\$0</u>	<u>\$17,171,805</u>	<u>\$18,421,805</u>	<u>\$17,597,357</u>

Category 1 includes cash and cash equivalents that are insured or registered or for which the securities are held by the police jury or its agent in the police jury's name. Category 2 includes uninsured and unregistered cash and cash equivalents for which securities are held by the bank's trust department, broker-dealers, or agent in the police jury's name. Category 3 includes uninsured and unregistered cash and cash equivalents for which the securities are held by the bank's trust department, broker-dealer, or by its agent but not in the police jury's name.

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Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent has failed to pay deposited funds upon demand.

3. INVESTMENTS

At December 31, 2014, the police jury holds the following investments:

Description	Category			Fair
	A	B	C	Value
Certificates of deposit	NONE	\$1,246,151	NONE	\$1,246,151

Category A includes investments that are insured or registered or for which the securities are held by the police jury or its agent in the police jury's name. Category B includes uninsured and unregistered investments for which securities are held by the broker's or dealer's trust department or agent in the police jury's name. Category C includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the police jury's name.

4. RECEIVABLES

Class of Receivable	Major Governmental Funds	Nonmajor Governmental Funds	Total
Taxes:			
Ad valorem	\$3,898,512	\$1,571,413	\$5,469,925
Other taxes, licenses, etc.	42,650		42,650
Intergovernmental revenues:			
Federal	180,901	671,690	852,591
State	307,027	235,501	542,528
Other	29,816	11,056	40,872
Total	\$4,458,905	\$2,489,661	\$6,948,566

5. CAPITAL ASSETS

Governmental capital assets and depreciation activity as of and for the year ended December 31, 2014, is as follows:

	Land	Construction in Progress	Buildings and Improvements	Machinery and Equipment	Infrastructure	Library Book Collections	Total
Beginning Balance	\$1,695,977		\$12,177,793	\$21,253,699	\$50,167,390	\$1,915,457	\$87,210,316
Additions		7,715,076	92,628	833,179	2,692,704	218,107	11,551,694
Deductions				(98,067)			(98,067)
Ending Balance	1,695,977	7,715,076	12,270,421	21,988,811	52,860,094	2,133,564	98,663,943
Less - accumulated depreciation	NONE	NONE	(6,099,390)	(13,315,237)	(24,687,392)	(1,546,240)	(45,648,259)
Capital assets, net	\$1,695,977	\$7,715,076	\$6,171,031	\$8,673,574	\$28,172,702	\$587,324	\$53,015,684

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Depreciation is charged to the following functions:

Public safety	\$742,447
Public works	2,571,415
General government - other	270,518
Culture and recreation	175,617

Total	\$3,759,997
	=====

6. PENSION PLAN

Parochial Employees Retirement System of Louisiana -- substantially all employees of the police jury are members of the Parochial Employees Retirement System of Louisiana ("system"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The system is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the police jury are members of Plan B. All permanent employees working at least 28 hours per week who are paid wholly or in part from funds and all elected parish officials are eligible to participate in the system. Under Plan B, employees who retire at or after age 62 with at least 10 years of credited service or at or after age 55 with 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 2 per cent of their final-average compensation in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 per cent for each year retirement precedes age 62.

In any case, benefits paid under Plan B cannot exceed the lesser of 100 per cent of the final-average salary multiplied by total years of creditable service. Final-average salary is the employee's average salary over 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post office Box 14619, Baton Rouge, LA 70898-4619, or by calling (504) 928-1361.

Under Plan B, members are required by state statute to contribute 3 percent of their annual covered salary in excess of \$1,200 and the employer is required to contribute at an actuarially determined rate. The current rate is 9.25 percent of annual covered payroll. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of the parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the employers are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year. The required employer contributions to the System under Plan B for the years ending December 31, 2014, \$366,906, December 31, 2013, \$373,703, and December 31, 2012, \$336,921, have been made by the police jury.

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7. OTHER POST-EMPLOYMENT BENEFITS

The Vernon Parish Police Jury provides certain continuing post-employment health care benefits for its employees and their spouses. Substantially all of the Vernon Parish Police Jury's employees become eligible for these benefits if they reach normal retirement age while working for the Vernon Parish Police Jury. These benefits for retirees and similar benefits for active employees are provided through, whose monthly premiums are paid jointly by the employee and the Vernon Parish Police Jury. There were 15 retirees (including spouses) and 64 active employees participating in the insurance program during this year.

Plan Description

The Vernon Parish Police Jury's medical benefits are provided through a commercial insurance company. The plan is a single-employer plan for financial reporting purposes and for this valuation.

All employees are eligible to elect medical coverage upon retiring with at least 20 years of service.

Medical coverage is provided to spouses of retirees who are currently receiving benefits. If the retiree predeceases the spouse, coverage for surviving spouse continues at no cost to the parish.

Contribution Rates

Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. At December 31, 2014, retirees age 64 and younger pay a monthly rate of \$137 for retiree and \$318 for retiree and spouse, and retirees 65 and older pay \$68.50 for retiree and \$159 for retiree and spouse. Retirees with at least 30 years of service are not responsible for any contributions.

Funding Policy

Until 2010, The Vernon Parish Police Jury recognized the cost of providing post-employment medical benefits (Vernon Parish Police Jury's portion of the retiree medical premiums) as an expense when the benefit premiums were due and thus financed the cost of the postemployment benefits on a pay-as-you-go basis. In 2007, Vernon Parish Police Jury's portion of medical care funding cost for retired employees totaled \$68,553.

Effective with the Fiscal Year beginning January 1, 2010, Vernon Parish Police Jury prospectively implemented Government Accounting Standards Board Statement Number 45 (GASB 45), Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions.

Annual Required Contribution

Vernon Parish Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC), with a valuation date as of July 6, 2007, is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC, assuming a 4.00% discount rate (without prefunding), compounded annually for the year beginning January 1, 2010, for medical benefits as set forth below:

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	Medical
Normal cost	\$2,027,242
30-year UAL amortization amount	1,854,695
Assumed interest to end of year	362,015
ARC adjustment	(593,587)
Annual required contribution (ARC)	<u>\$3,650,365</u>

Net Post-employment Benefit Obligation (Asset)

The table below shows Vernon Parish Police Jury's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending December 31, 2014:

	Medical
Beginning Net OPEB Obligation	\$10,982,302
Annual required contribution (ARC)	<u>3,650,365</u>
OPEB Cost	14,632,667
Assumed contributions made	<u>(224,625)</u>
Ending Net OPEB Obligation	<u>\$ 14,408,042</u>

The following table shows Vernon Parish Police Jury's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability, assuming a 4.00% discount rate (without prefunding), compounded annually:

Post- Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
Medical	12/31/2014	3,811,937	6.15%	14,408,042
Medical	12/31/2013	2,248,521	9.65%	9,050,368
Medical	12/31/2012	2,248,521	9.65%	7,118,434

Funded Status and Funding Progress

In the fiscal year ending December 31, 2014, Vernon Parish Police Jury made no contributions to its post-employment benefits plan. The funding status is as follows:

Actuarial accrued liability (UAL) - medical	\$28,278,406
Actuarial value of plan assets	NONE
Unfunded actuarial accrued liability (UAAL)	\$28,278,406
Funded ratio (actuarial value of plan assets/AAL)	0.00%

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Actuarial accrued liability is defined as that portion, as determined by a particular actuarial cost method (Vernon Parish Police Jury uses the Unit Credit Actuarial Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in the fiscal year, the entire actuarial accrued liability was unfunded.

The schedule of funding progress presented as required supplemental information presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Due to GASB No. 45 being implemented this year, there is no comparative information on this schedule.

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees).

Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by Vernon Parish Police Jury and its employee plan members) at the time of the valuation. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method

The ARC is determined using the Unit Credit Actuarial Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets

Since this is the first actuarial valuation, there are not any assets. It is anticipated that in future valuations a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Investment Return Assumption (Discount Rate)

GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will be funded, a % annual investment return has been used in this valuation. This is a conservative estimate of the expected long-term return of a balanced and conservative investment portfolio under professional management.

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Health Care Cost Trend Rate

The expected rate of increase in medical cost are summarized as follows:

Duration	Pre-65	Post-65
1	10.00%	10.00%
2	9.50	9.00
3	9.00	8.00
4	8.50	7.50
5	8.00	7.00
6	8.00	7.00
7	8.00	7.00
8	8.00	7.00
9	8.00	7.00
10+	8.00	7.00

Mortality Rate

RP-2000 combined mortality table for respective gender.

Method of Determining Value of Benefits

The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by Vernon Parish Police Jury for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid.

8. LONG-TERM LIABILITIES

The following is a summary of the long-term liability transactions for the year ended December 31, 2014:

	General Obligation Bonds and Certificates of Indebtedness	Capital Leases	Other Post- Employment Benefits	Total
Long-term debt payable at January 1, 2014	\$8,392,000	\$1,109,466	\$10,982,302	20,483,768
Additions		988,860	3,650,365	4,639,225
Deductions	(304,000)	(416,496)	(224,625)	(945,121)
Long-term debt payable at December 31, 2014	\$8,088,000	\$1,681,830	\$14,408,042	\$24,177,872
Current	\$320,000	\$373,332	\$206,434	\$899,766
Long-term	7,768,000	1,308,499	14,201,608	23,278,107
Total	\$8,088,000	\$1,681,831	\$14,408,042	\$24,177,873

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Bonded debt - the individual issues, which are serial bonds, payable from their respective debt service funds and certificates of indebtedness, payable from the Parishwide Overlay Fund, are as follows:

Description	Original Issue	Final Payment Date	Interest to Maturity	Principal Outstanding
General Obligation Bonds - Series 2014	\$7,500,000	2036	\$3,910,020	\$7,015,000
General Obligation Bonds - Series 2013	\$500,000	2030	144,980	428,000
Silam Building Refunding- Series 2010	1,170,000	2019	62,031	645,000
Total Bonded Debt			<u>\$4,117,031</u>	<u>\$8,088,000</u>

Principal and interest requirements of the bonded debt are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. Principal and interest requirements of the certificates of indebtedness are funded through the Parishwide Overlay Fund. Principal and interest requirements of the capital leases are funded through the respective fund. The principal and interest on long-term liabilities are due as follows:

	General Obligation Bonds	Capital Leases	Total
Year Ending December 31,			
2015	650,623	435,103	1,085,726
2016	647,759	402,643	1,050,402
2017	655,284	356,845	1,012,129
2018	657,080	277,012	934,092
2019 - 2036	9,594,285	430,577	10,024,862
Totals	<u>\$12,205,031</u>	<u>\$1,902,179</u>	<u>\$14,107,210</u>
Current	\$650,623	\$435,103	\$1,085,726
Long-term	11,554,408	1,467,076	13,021,484
Total	<u>\$12,205,031</u>	<u>\$1,902,179</u>	<u>\$14,107,210</u>

Advance refunding - at December 31, 2014, a total of \$645,000 of bonds outstanding are considered defeased.

Leases - the police jury records items under capital leases as an asset and an obligation in the accompanying financial statements. The lease obligations, consisting of equipment, are paid from various special revenue funds. The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments, as of December 31, 2014:

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	Capital Leases
Year Ending December 31,	-----
2015	\$435,103
2016	402,643
2017	356,845
2018	277,012
2019 - 2026	430,577
Totals	-----
Less - amount representing interest	\$1,902,179 (220,348)
Present value of future lease payments	----- \$1,681,831 =====

The police jury has entered into operating leases for maintenance yards. These maintenance yards are used to store equipment and fuel for maintaining the parish's road system. The leases may be terminated by either the lessor or the lessee by giving 30 days written notice.

9. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish's General Fund. Since the General Fund subsidizes the operations of the Criminal Court Fund on an annual basis, the police jury does not transfer any remaining fund balance at the end of the year, but offsets this amount against any future appropriations that may be required.

10. LITIGATION

At December 31, 2014, the police jury is involved several lawsuits. In the opinion of the district attorney, legal counsel for the police jury, the ultimate resolution of those lawsuits that have progressed to a point where a determination can be made will not represent a significant liability to the police jury, and the remaining lawsuits have not progressed to a point where a determination can be made of any possible loss. No provision for any liability that may result has been made in the accompanying financial statements.

11. FEDERAL PROGRAMS

The Vernon Parish Police Jury participates in various programs funded through the Louisiana Department of Labor and the Louisiana Department of Education by the United States Department of Labor. The police jury is a member of the Fifth District Service Delivery Area (SDA), which consists of Allen, Beauregard, and Vernon Parishes. Members of the SDA entered into a multi-jurisdictional consortium agreement for the purpose of carrying out programs and activities. This agreement names the president of the Vernon Parish Police Jury as the authorized representative of the units of government signatory to the agreement. In addition, the agreement states that the entity designated as the grant recipient will receive the funds for the consortium area and be held ultimately liable for the funds.

A. Workforce Investment Board (WIB) - consists of 15 members representing a cross section of the SDA population. The WIB is responsible for providing program development guidance and for monitoring operations of the administrative entity.

B. Designated chief elected official - this is a police jury president, elected by his peers from the Fifth District Service Delivery Area. His responsibilities are the same as the WIB.

VERNON PARISH POLICE JURY
Primary Government
Leesville, Louisiana
Notes to the Basic Financial Statements
(Continued)

C. Administrative entity - the organization selected by the WIB and the consortium to administer the program. All actions by the administrative entity must be approved by the WIB and the designated chief elected official.

The Vernon Parish Police Jury is the designated grant recipient and the administrative entity. As a grant recipient, the Vernon Parish Police Jury has (1) accepted full responsibility for funds expended in the grant; (2) assured the Louisiana Department of Labor that all funds provided will be expended in accordance with the requirements of all applicable federal and state regulations, policies and procedures, and the approved plan; and (3) accepted ultimate responsibility for the grant funds.

12. GENERAL LIABILITY INSURANCE

The Vernon Parish Police Jury has determined that the cost of general liability insurance coverage is prohibitive. Consequently, the police jury has not obtained general liability insurance coverage against possible losses resulting from claims filed by individuals who might suffer injury while on police jury property.

13. LANDFILL

The Vernon Parish Police Jury operates a Type III (Construction and Demolition Debris and Woodwaste) landfill. The facility, consisting of approximately 10 acres, was originally opened in 1986 and has a remaining estimated useful life of approximately 20 years. State and federal laws and regulations require that the police jury place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for three years after closure.

Annual closure costs to fill and cover each cell is minimal because the volume of material removed to open each cell normally exceeds the volume of material required to cover the cell on closure. Additionally, the cost of the final pre-closure cover and the postclosure monitoring costs for three years after closure are estimated at \$30,000. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

As of December 31, 2014, the police jury, due to the immaterial amount of the estimated closure and postclosure care costs, has not recorded any liability relating to these cost estimates.

REQUIRED SUPPLEMENTAL INFORMATION
PART II

VERNON PARISH POLICE JURY
Leesville, Louisiana
Primary Government
Supplemental Information
Budgetary Highlights
For the Year Ended December 31, 2014

The major funds of the Vernon Parish police Jury includes the governmental funds presented on Statements C and E of the police jury's basic financial statements. Budgetary comparisons for these major funds is presented, as required supplemental information, on Schedules 1 through 8 of the police jury's basic financial statements. The following presents significant highlights of selected funds.

General Fund - actual revenues were less than budgeted revenues by approximately \$4,510 or 0.15 per cent. Actual expenditures were less than budgeted expenditures by approximately \$326,243 or 12.01 per cent.

Parishwide Road Maintenance Fund - actual revenues were less than budgeted revenues by \$5,766 or 0.18 per cent. Actual expenditures were less than budgeted expenditures by \$73,211 or 2.49 per cent.

Sanitary Landfill Fund - actual revenues were less than budgeted revenues by approximately \$13,910 or 0.24 per cent. Actual expenditures were less than budgeted expenditures by approximately \$4,248 or 0.07 per cent.

Health Unit Maintenance Fund - actual revenues were less than budgeted revenues by approximately \$1,358 or 0.32 per cent. Actual expenditures were less than budgeted expenditures by approximately \$3,025 or 2.18 per cent.

Courthouse and Jail Maintenance Fund - actual revenues were less than budgeted revenues by approximately \$147 or 0.01 per cent. Actual expenditures were less than budgeted expenditures by approximately \$71,928 or 7.47 per cent.

Parishwide Overlay Fund - actual revenues were more than budgeted revenues by approximately \$465 or 0.04 per cent. Actual expenditures were less than budgeted expenditures by approximately \$27,107 or 14.60 per cent.

Criminal Court Fund - actual revenues were less than budgeted revenues by approximately \$235 or 0.03 per cent. Actual expenditures were less than budgeted expenditures by approximately \$3,764 or 0.52 per cent.

Library Maintenance Fund - actual revenues were less than budgeted revenues by approximately \$1,896 or .018 per cent. Actual expenditures were less than budgeted expenditures by approximately \$19,937 or 1.74 per cent.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUND - GENERAL FUND

Budgetary Comparison Schedule - Non-GAAP Basis
For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Taxes, licenses, and permits	\$1,943,000	\$2,360,679	\$2,357,677	(\$3,002)
Intergovernmental grants	91,475	125,329	124,844	(485)
Fines, fees, forfeitures, and permits	186,700	183,435	186,480	3,045
Other revenues	358,500	336,100	332,031	(4,069)
Other financing sources				
Total resources	2,579,675	3,005,543	3,001,033	(4,510)
Charges to appropriations (outflows)				
Current:				
General government:				
Legislative	534,382	534,783	513,470	21,313
Judicial	447,604	443,008	442,853	155
Elections	32,743	28,992	28,990	2
Finance and administration	867,128	771,625	714,942	56,683
Other	3,101,000	547,255	299,571	247,684
Public safety	7,300	14,264	14,264	(0)
Public works	656,130	660,695	660,274	421
Health and welfare	33,831	33,595	33,595	
Culture and recreation	5,000	8,209	8,224	(15)
Total charges to appropriations	5,685,118	3,042,426	2,716,183	326,243
EXCESS (Deficiency) OF APPROPRIATIONS				
OVER CHARGES	(3,105,443)	(36,883)	284,850	321,733
BUDGETARY FUND BALANCES - BEGINNING	8,115,909	8,115,909	8,115,909	NONE
BUDGETARY FUND BALANCES - ENDING	\$5,010,466	\$8,079,027	\$8,400,759	\$321,733
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 1			\$284,850	
Net receivables/payables and capital projects			(6,088,237)	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			(\$5,803,387)	

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 GOVERNMENTAL FUND - PARISHWIDE ROAD MAINTENANCE FUND

Budgetary Comparison Schedule - Non-GAAP Basis
 For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Taxes, licenses, and permits	\$2,030,075	\$2,257,500	\$2,253,981	(\$3,519)
Intergovernmental grants	191,000	215,717	215,717	(0)
Fines, fees, and permits	500	4,500	4,500	0
Other revenues	42,500	170,343	168,129	(2,214)
Operating transfers in	610,004	610,004	610,004	0
Total resources	2,874,079	3,258,064	3,252,331	(5,733)
Charges to appropriations (outflows)				
Current:				
Public works	2,934,489	3,013,636	2,940,425	73,211
Total charges to appropriations	2,934,489	3,013,636	2,940,425	73,211
EXCESS (Deficiency) OF APPROPRIATIONS OVER CHARGES	(60,410)	244,428	311,906	67,478
BUDGETARY FUND BALANCES - BEGINNING	838,932	838,932	838,932	NONE
BUDGETARY FUND BALANCES - ENDING	\$778,523	\$1,083,360	\$1,150,838	\$67,478
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 2			\$311,906	
Net receivables/payables			(528,646)	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			(\$216,741)	

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 GOVERNMENTAL FUND - SANITARY LANDFILL FUND

Budgetary Comparison Schedule - Non-GAAP Basis
 For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Sales and use taxes	\$6,000,303	\$5,700,000	\$5,686,244	(\$13,756)
Use of money and property	4,000	2,855	2,701	(154)
Total resources	6,004,303	5,702,855	5,688,945	(13,910)
Charges to appropriations (outflows)				
Current:				
Public works and transfers	5,801,607	5,712,479	5,708,231	4,248
Total charges to appropriations	5,801,607	5,712,479	5,708,231	4,248
EXCESS (Deficiency) OF APPROPRIATIONS OVER CHARGES	202,696	(9,624)	(19,285)	(9,661)
BUDGETARY FUND BALANCES - BEGINNING	1,887,041	1,887,041	1,887,041	NONE
BUDGETARY FUND BALANCES - ENDING	\$2,089,736	\$1,877,416	\$1,867,755	(\$9,661)
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 3			(\$19,285)	
Net receivables/payables			46,406	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			\$27,121	

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 GOVERNMENTAL FUND - HEALTH UNIT MAINTENANCE FUND

Budgetary Comparison Schedule - Non-GAAP Basis
 For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Taxes, licenses, and permits	\$395,000	\$379,000	\$377,663	(\$1,337)
Intergovernmental grants	34,169	33,000	32,964	(36)
Use of money and property	3,787	9,149	9,163	14
Total resources	432,956	421,149	419,790	(1,358)
Charges to appropriations (outflows)				
Current:				
Health and welfare and transfers	372,902	346,220	343,195	3,025
Total charges to appropriations	372,902	346,220	343,195	3,025
EXCESS (Deficiency) OF APPROPRIATIONS OVER CHARGES	60,054	74,929	76,596	1,667
BUDGETARY FUND BALANCES - BEGINNING	1,415,976	1,415,976	1,415,976	NONE
BUDGETARY FUND BALANCES - ENDING	\$1,476,030	\$1,490,905	\$1,492,572	\$1,667
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 4			\$76,596	
Net receivables/payables			(81,792)	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			(\$5,196)	

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 GOVERNMENTAL FUND - COURTHOUSE AND JAIL MAINTENANCE FUND

Budgetary Comparison Schedule - Non-GAAP Basis
 For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Taxes, licenses, and permits	\$1,030,000	\$955,000	\$954,861	(\$139)
Intergovernmental grants	83,150	83,428	83,429	1
Use of money and property	4,800	4,488	4,479	(9)
Amounts available for appropriations	1,117,950	1,042,916	1,042,769	(147)
Charges to appropriations (outflows)				
Current:				
General government - other and transfers	1,241,995	1,025,655	954,357	71,298
Total charges to appropriations	1,241,995	1,025,655	954,357	71,298
EXCESS (Deficiency) OF APPROPRIATIONS OVER CHARGES	(124,045)	17,261	88,412	71,151
BUDGETARY FUND BALANCES - BEGINNING	1,266,734	1,266,734	1,266,734	NONE
BUDGETARY FUND BALANCES - ENDING	\$1,142,689	\$1,283,995	\$1,355,146	\$71,151
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 5			\$88,412	
Net receivables/payables			(91,182)	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			(\$2,770)	

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUND - PARISHWIDE OVERLAY FUND

Budgetary Comparison Schedule - Non-GAAP Basis
For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Use of money and property	3,300	1,993	2,024	31
Operating transfers in	1,500,000	1,300,000	1,300,435	435
Total resources	1,503,300	1,301,993	1,302,458	465
Charges to appropriations (outflows)				
Current:				
Public works	1,350,000	1,140,664	1,113,557	27,107
Total charges to appropriations	1,350,000	1,140,664	1,113,557	27,107
EXCESS (Deficiency) OF APPROPRIATIONS OVER CHARGES	153,300	161,329	188,902	27,573
BUDGETARY FUND BALANCES - BEGINNING	1,386,795	1,386,795	1,386,795	NONE
BUDGETARY FUND BALANCES - ENDING	\$1,540,095	\$1,548,124	\$1,575,696	\$27,573
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 6			\$188,902	
Net receivables/payables			(68,969)	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			\$119,933	

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUND - CRIMINAL COURT FUND

Budgetary Comparison Schedule - Non-GAAP Basis
For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Fines, fees, forfeitures, and permits	\$465,300	\$494,351	\$547,116	\$52,765
Other financing sources	175,000	228,000	175,000	(53,000)
Amounts available for appropriations	640,300	722,351	722,116	(235)
Charges to appropriations (outflows)				
Current:				
General government - judicial	639,712	721,176	717,412	3,764
Total charges to appropriations	639,712	721,176	717,412	3,764
EXCESS (Deficiency) OF APPROPRIATIONS OVER CHARGES	588	1,175	4,704	3,529
BUDGETARY FUND BALANCES - BEGINNING	10,894	10,894	10,894	NONE
BUDGETARY FUND BALANCES - ENDING	\$11,482	\$12,068	\$15,597	\$3,529
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 7			\$4,704	
Net receivables/payables			(8,636)	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			(\$3,932)	

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
GOVERNMENTAL FUND - LIBRARY MAINTENANCE FUND

Budgetary Comparison Schedule - Non-GAAP Basis
For the Year Ended December 31, 2014

	ORIGINAL	FINAL	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows)				
Taxes, licenses, and permits	\$950,643	\$922,871	\$922,870	(\$1)
Intergovernmental grants	101,358	81,490	81,477	(13)
Fees and charges	29,376	32,728	32,251	(477)
Use of money and property	39,042	42,515	41,109	(1,406)
Total resources	1,120,419	1,079,603	1,077,707	(1,896)
Charges to appropriations (outflows)				
Current:				
Culture and recreation	1,016,768	1,164,546	1,144,609	19,937
Total charges to appropriations	1,016,768	1,164,546	1,144,609	19,937
EXCESS (Deficiency) OF APPROPRIATIONS				
OVER CHARGES	103,650	(84,942)	(66,902)	18,040
BUDGETARY FUND BALANCES - BEGINNING	1,169,257	1,169,257	1,169,257	NONE
BUDGETARY FUND BALANCES - ENDING	\$1,272,908	\$1,084,315	\$1,102,355	\$18,040
RECONCILIATION OF BUDGET BASIS				
Excess (Deficiency) of appropriations over charges per Schedule 8			(\$66,902)	
Net receivables/payables			181,299	
Excess (Deficiency) of revenues and other sources over expenditures and other uses per Statement E			\$114,397	

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana

Schedule OPEB Funding Progress
For the Year Ended December 31, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Discount Rate	Actuarial Accrued Liability UAAL	Unfunded Actuarial Accrued Liability UAAL	Funded Ratio
<u>January, 1</u>	<u>Assets</u>	<u>Rate</u>	<u>UAAL</u>	<u>UAAL</u>	<u>Ratio</u>
2014	NONE	4.00%	\$28,278,406	\$28,278,406	0.00%

See independent auditor's report.

VERNON PARISH POLICE JURY
LEESVILLE, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

NONMAJOR GOVERNMENTAL FUNDS

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet, December 31, 2014
(With Comparative Totals, December 31, 2013)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND - LCDBG GRANT FUND	2014	2013
ASSETS					
Cash and cash equivalents	\$5,141,013	\$805,613		\$5,946,626	\$6,136,184
Investments, at fair value					
Receivables	2,179,097	303,063	\$7,500	2,489,661	1,775,502
Interfund receivables	136,500			136,500	24,762
TOTAL ASSETS	\$7,456,611	\$1,108,676	\$7,500	\$8,572,787	\$7,936,448
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$129,482	\$10,405	\$7,500	\$147,387	\$200,606
Interfund payables	739,883			739,883	6,743
Deferred revenues	8,436			8,436	91,473
Total liabilities	877,801	10,405	7,500	895,706	298,822
Fund balance:					
Restricted for:					
Legislative	547,417			547,417	488,571
Finance and administrative	113,630			113,630	
Other	3,174,542			3,174,542	3,359,236
Public safety	2,033,652			2,033,652	1,942,288
Public works	166,391			166,391	182,885
Health and welfare	534,651			534,651	442,155
Culture and recreation	8,527			8,527	99,340
Debt service		\$1,098,271		1,098,271	1,123,151
Total fund balance	6,578,810	1,098,271	NONE	7,677,081	7,637,627
TOTAL LIABILITIES AND FUND BALANCE	\$7,456,611	\$1,108,676	\$7,500	\$8,572,787	\$7,936,448

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2013
(With Comparative Totals for the Year Ended December 31, 2012)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND - LCDBG WATER IMPROVEMENTS	2014	2013
REVENUES					
Taxes:					
Ad valorem	\$1,236,515	\$623,417		\$1,859,932	\$1,894,544
Sales and use	1,507,875			1,507,875	1,506,465
Intergovernmental revenues:	309,000			309,000	288,065
Federal grants	1,073,542		\$47,960	1,121,502	519,939
State funds	1,397,957			1,397,957	1,066,776
Fees, charges, and commissions for services	273,016			273,016	293,470
Fines and forfeitures					
Use of money and property	16,262	480		16,742	11,217
Miscellaneous	70,960	9,297		80,257	55,054
Total revenues	5,885,127	633,194	47,960	6,566,281	5,635,531
EXPENDITURES					
Current:					
General government:					
Legislative					298
Judicial	346,752			346,752	337,104
Elections	20,023			20,023	54,797
Finance and administrative	77,866	11,105		88,972	134,132
Other	69,926			69,926	379,392
Public safety	2,346,052			2,346,052	1,907,395
Public works	3,007,577			3,007,577	2,078,136
Health and welfare	672,579			672,579	617,059
Culture and recreation	767,700			767,700	959,644
Economic development and assistance	30,861		47,960	78,821	244,268
Intergovernmental					
Capital outlay					
Debt service	10,124	646,969		657,093	783,135
Total expenditures	7,349,461	658,074	47,960	8,055,495	7,495,360

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2013
(With Comparative Totals for the Year Ended December 31, 2012)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND - LCDBG WATER IMPROVEMENTS	2014	2013
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,464,335)	(24,880)	NONE	(1,489,215)	(1,859,829)
OTHER FINANCING SOURCES (USES)					
Insurance recoveries	1,229			1,229	112,560
Sale of capital assets	11,081			11,081	123,666
Operating transfers in	1,213,884			1,213,884	1,297,443
Operating transfers out	(22,030)			(22,030)	(27,243)
Increase in long-term debt	324,505			324,505	
Total other financing sources (uses)	1,528,669	NONE	NONE	1,528,669	1,506,426
NET CHANGE IN FUND BALANCE	64,334	(24,880)	NONE	39,454	(353,403)
FUND BALANCE AT BEGINNING OF YEAR	6,514,476	1,123,151	NONE	7,637,627	7,991,029
FUND BALANCE AT END OF YEAR	\$6,578,810	\$1,098,271	NONE	\$7,677,081	\$7,637,626

See independent auditor's report.

VERNON PARISH POLICE JURY, PRIMARY GOVERNMENT
LEESVILLE, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
GOVERNMENTAL FUNDS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 2014
(With Comparative Totals, December 31, 2013)

	ROAD DISTRICT MAINTENANCE	ROAD DISTRICT CONSTRUCTION	PARISH TRANSPORTATION ACT	PUBLIC BUILDINGS MAINTENANCE FUND	PUBLIC IMPROVEMENT CONSTRUCTION	JUDICIAL EXPENSE	TOURIST AND RECREATION	FIRE PROTECTION DISTRICT NO. 1	FIRE INSURANCE FUND
ASSETS									
Cash and cash equivalents	\$227,947	\$385,878	\$165,521	\$116,899	\$32,417	\$57	\$189,994	\$2,174,733	\$1,012,376
Receivables	894,050	304,941	99,667				25,245		
Interfund receivables	2,094	4,649		18,019					
TOTAL ASSETS	\$1,124,092	\$695,468	\$265,188	\$134,918	\$32,417	\$57	\$215,239	\$2,174,733	\$1,012,376
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	\$31,961	\$12,392		\$21,288			\$9,397	\$11,313	\$1,254
Interfund payables	2,094	4,649							
Deferred revenues									
Total liabilities	34,056	17,041	NONE	21,288	NONE	NONE	9,397	11,313	1,254
Fund balance:									
Restricted for:									
Legislative									
Judicial						\$57			
Other				113,630					
Public safety								\$2,163,420	\$1,011,122
Public works	1,090,036	678,427	265,188						
Health and welfare									
Culture and recreation					\$32,417		205,842		
Economic development									
Total fund balances	1,090,036	678,427	265,188	113,630	32,417	57	205,842	2,163,420	1,011,122
TOTAL LIABILITIES AND FUND BALANCE	\$1,124,092	\$695,468	\$265,188	\$134,918	\$32,417	\$57	\$215,239	\$2,174,733	\$1,012,376

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 2014
(With Comparative Totals, December 31, 2013)

	ECONOMIC DEVELOPMENT	WEST LOUISIANA FORESTRY	ARENA DISTRICT	ANIMAL SHELTER	PROBATION OFFICE	VERNON COUNCIL ON AGING	VERNON COMMUNITY ACTION COUNCIL	FEDERAL/ STATE FUNDS	2014	2013
<hr/>										
ASSETS	<hr/>									
Cash and cash equivalents		\$103,316	\$179,611	\$14,519	\$536,305		\$1,440		\$5,141,013	\$5,275,438
Receivables	\$18,563		14,726		11,056	\$156,954		\$653,894	2,179,097	1,503,800
Interfund receivables	111,738								136,500	24,762
	<hr/>									
TOTAL ASSETS	\$130,300	\$103,316	\$194,337	\$14,519	\$547,361	\$156,954	\$1,440	\$653,894	\$7,456,611	\$6,804,000
<hr/>										
LIABILITIES AND FUND BALANCE	<hr/>									
Liabilities:	<hr/>									
Accounts payable	\$10,148	\$1,262		\$294		\$4,788		\$25,384	\$129,482	\$191,309
Interfund payables	111,625							621,515	739,883	6,743
Deferred revenues							1,440	6,996	8,436	91,473
	<hr/>									
Total liabilities	121,773	1,262	NONE	294	NONE	4,788	1,440	653,894	877,801	289,525
	<hr/>									
Fund balance:	<hr/>									
Restricted for:	<hr/>									
Legislative					\$547,361				547,417	488,571
Judicial									113,630	
Other									3,174,542	3,359,236
Public safety									2,033,652	1,942,288
Public works									166,391	182,885
Health and welfare				14,225		\$152,166			534,651	442,155
Culture and recreation		102,054	\$194,337						8,527	99,340
Economic development	8,527									
	<hr/>									
Total fund balances	8,527	102,054	194,337	14,225	547,361	152,166	NONE	NONE	6,578,810	6,514,476
	<hr/>									
TOTAL LIABILITIES AND FUND BALANCE	\$130,300	\$103,316	\$194,337	\$14,519	\$547,361	\$156,954	\$1,440	\$653,894	\$7,456,611	\$6,804,000
<hr/>										

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals For the Year Ended December 31, 2013)

	ROAD DISTRICT MAINTENANCE	ROAD DISTRICT CONSTRUCTION	PARISH TRANSPORTATION ACT	PUBLIC BUILDINGS MAINTENANCE FUND	PUBLIC IMPROVEMENT CONSTRUCTION	JUDICIAL EXPENSE	TOURIST AND RECREATION	FIRE PROTECTION DISTRICT NO. 1
REVENUES								
Taxes:								
Ad valorem	\$809,946	\$292,796						
Sales and use							\$77,591	\$1,430,284
Intergovernmental revenues:							309,000	
Federal grants								
State funds	75,615	26,169	\$534,276				129,460	
Fees, charges, and commissions for services							26,877	
Use of money and property	291	283	182	\$12	\$17		80	1,110
Gifts and grants								
Total revenues	885,852	319,248	534,458	12	17	NONE	543,009	1,431,394
EXPENDITURES								
Current:								
General government:								
Legislative								
Judicial				125,357		33,077		
Elections				20,023				
Finance and administrative				77,866				
Other				69,926				
Public safety				5,494				1,908,688
Public works	872,409	270,111	462,789	372,587				
Health and welfare				130,071				
Culture and recreation				50,166	1,370		569,155	
Economic development and assistance				30,861				
Debt service	10,124							
Total expenditures	882,533	270,111	462,789	882,352	1,370	33,077	569,155	1,908,688
EXCESS (Deficiency) OF REVENUES OVER								
EXPENDITURES	3,319	49,137	71,669	(882,340)	(1,353)	(33,077)	(26,147)	(477,294)

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals For the Year Ended December 31, 2013)

	ROAD DISTRICT MAINTENANCE	ROAD DISTRICT CONSTRUCTION	PARISH TRANSPORTATION ACT	PUBLIC BUILDINGS MAINTENANCE FUND	PUBLIC IMPROVEMENT CONSTRUCTION	JUDICIAL EXPENSE	TOURIST AND RECREATION	FIRE PROTECTION DISTRICT NO. 1
OTHER FINANCING SOURCES (USES)								
Operating transfers in				1,000,000		31,854	21,500	
Operating transfers out				(4,030)				
Insurance recoveries	1,008							221
Sale of capital assets								11,081
Increase in long-term debt								324,505
Total other financing sources (uses)	1,008		NONE	995,970	NONE	31,854	21,500	335,807
NET CHANGE IN FUND BALANCE	4,327	49,137	71,669	113,630	(1,353)	(1,223)	(4,647)	(141,487)
FUND BALANCE AT BEGINNING OF YEAR	1,085,709	629,290	193,519	NONE	33,770	1,280	210,488	2,304,907
FUND BALANCE AT END OF YEAR	\$1,090,036	\$678,427	\$265,188	\$113,630	\$32,417	\$57	\$205,842	\$2,163,420

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals For the Year Ended December 31, 2013)

	FIRE INSURANCE FUND	ECONOMIC DEVELOPMENT	WEST LOUISIANA FORESTRY	ARENA DISTRICT	ANIMAL SHELTER	PROBATION OFFICE	VERNON COUNCIL ON AGING	VERNON COMMUNITY ACTION COUNCIL	FEDERAL/ STATE FUNDS	2014	2013
REVENUES											
Taxes:											
Ad valorem							\$133,773			\$1,236,515	\$1,307,540
Sales and use										1,507,875	1,506,465
Intergovernmental revenues:										309,000	288,065
Federal grants							171,935	\$59,745	\$841,862	1,073,542	305,678
State funds	\$222,225	\$76,534		\$61,030			10,231		262,417	1,397,957	1,066,776
Fees, charges, and commissions for services			69,170		\$6,264	\$170,704				273,016	293,470
Use of money and property	546	45	7,720	5,675	37	264				16,262	9,677
Gifts and grants			68,139						2,821	70,960	54,575
Total revenues	222,770	76,579	145,029	66,704	6,301	170,969	315,939	59,745	1,107,100	5,885,127	4,832,247
EXPENDITURES											
Current:											
General government:											298
Legislative										346,752	337,104
Judicial						110,900			77,419	20,023	54,797
Elections										77,866	124,184
Finance and administrative										69,926	379,392
Other										2,346,052	1,907,395
Public safety	265,978	165,893								3,007,577	2,078,136
Public works										672,579	617,059
Health and welfare					163,506		319,257	59,745	1,029,681	767,700	959,644
Culture and recreation			126,321	20,687						30,861	30,006
Economic development and assistance										10,124	140,456
Debt service											
Total expenditures	265,978	165,893	126,321	20,687	163,506	110,900	319,257	59,745	1,107,100	7,349,461	6,628,471
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(43,207)	(89,314)	18,708	46,017	(157,205)	60,069	(3,318)	NONE	NONE	(1,464,335)	(1,796,224)

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2014
(With Comparative Totals For the Year Ended December 31, 2013)

	FIRE INSURANCE FUND	ECONOMIC DEVELOPMENT	WEST LOUISIANA FORESTRY	ARENA DISTRICT	ANIMAL SHELTER	PROBATION OFFICE	VERNON COUNCIL ON AGING	VERNON COMMUNITY ACTION COUNCIL	FEDERAL/ STATE FUNDS	2014	2013
OTHER FINANCING SOURCES (USES)											
Operating transfers in		16,500			144,030					1,213,884	1,297,443
Operating transfers out		(18,000)								(22,030)	(27,243)
Insurance recoveries										1,229	112,560
Sale of capital assets										11,081	123,666
Increase in long-term debt										324,505	
Total other financing sources (uses)	NONE	(1,500)	NONE	NONE	144,030	NONE	NONE	NONE	NONE	1,528,669	1,506,426
NET CHANGE IN FUND BALANCE	(43,207)	(90,814)	18,708	46,017	(13,175)	60,069	(3,318)	NONE	NONE	64,334	(289,799)
FUND BALANCE AT BEGINNING OF YEAR	1,054,329	99,340	83,346	148,321	27,400	487,292	155,485	NONE	NONE	6,514,476	6,804,274
FUND BALANCE AT END OF YEAR	\$1,011,122	\$8,527	\$102,054	\$194,337	\$14,225	\$547,361	\$152,166	NONE	NONE	\$6,578,810	\$6,514,476

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS -
 ROAD DISTRICT MAINTENANCE FUNDS

Combining Balance Sheet, December 31, 2014
 (With Comparative Totals, December 31, 2013)

	NO. 1	NO. 2	NO. 3	NO. 4	NO. 5	NO. 6	NO. 7	NO. 8	2014	2013
ASSETS										
Cash and cash equivalents	\$30,582	\$32,023	\$53,335	\$50,672	\$4,888	\$2,838	\$49,444	\$4,166	\$227,947	\$224,883
Receivables	121,618	152,320	149,444	85,334	148,433	55,749	134,833	46,319	894,050	894,038
Interfund receivables	2,094								2,094	2,094
TOTAL ASSETS	\$154,295	\$184,343	\$202,778	\$136,007	\$153,321	\$58,587	\$184,278	\$50,485	\$1,124,092	\$1,121,015
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	\$3,957	\$4,956	\$5,018	\$5,363	\$4,988	\$1,805	\$4,375	\$1,500	\$31,961	\$33,212
Interfund payables		2,094							2,094	2,094
Total liabilities	3,957	7,051	5,018	5,363	4,988	1,805	4,375	1,500	34,056	35,306
Fund balance - restricted for public works	150,338	177,292	197,760	130,644	148,332	56,781	179,903	48,985	1,090,036	1,085,709
TOTAL LIABILITIES AND FUND BALANCE	\$154,295	\$184,343	\$202,778	\$136,007	\$153,321	\$58,587	\$184,278	\$50,485	\$1,124,092	\$1,121,015

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS -
 ROAD DISTRICT MAINTENANCE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 2014
 (With Comparative Totals for the Year Ended December 31, 2013)

	NO. 1	NO. 2	NO. 3	NO. 4	NO. 5	NO. 6	NO. 7	NO. 8	2014	2013
REVENUES										
Taxes - ad valorem	\$110,938	\$130,455	141,555	81,572	140,980	\$51,086	\$122,475	\$30,886	\$809,946	\$863,189
State funds	11,122	27,494	7,381	4,027	4,426	5,596	12,839	2,731	75,615	80,078
Use of money and property	37	40	63	52	30	5	54	10	291	748
Total revenues	122,097	157,989	148,999	85,651	145,436	56,687	135,367	33,627	885,852	944,016
EXPENDITURES										
Current - public works	112,438	137,228	165,439	92,074	141,251	54,253	140,783	28,942	872,409	829,636
Debt service		10,124							10,124	22,467
Total expenditures	112,438	147,352	165,439	92,074	141,251	54,253	140,783	28,942	882,533	852,102
EXCESS (Deficiency) OF REVENUES										
OVER EXPENDITURES	9,659	10,637	(16,440)	(6,424)	4,184	2,433	(5,416)	4,685	3,319	91,913
OTHER FINANCING SOURCES										
Operating transfers in										2,078
Operating transfers out										(2,000)
Insurance recoveries	353	655							1,008	11,556
Sale of capital assets										3,436
Total other financing sources	353	655	NONE	NONE	NONE	NONE	NONE	NONE	1,008	15,069
NET CHANGE IN FUND BALANCE	10,012	11,292	(16,440)	(6,424)	4,184	2,433	(5,416)	4,685	4,327	106,983
FUND BALANCE AT BEGINNING OF YEAR	140,327	166,000	214,200	137,068	144,148	54,348	185,319	44,300	1,085,709	978,726
FUND BALANCE AT END OF YEAR	\$150,338	\$177,292	\$197,760	\$130,644	\$148,332	\$56,781	\$179,903	\$48,985	\$1,090,036	\$1,085,709

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS -
 ROAD DISTRICT CONSTRUCTION FUNDS

Combining Balance Sheet, December 31, 2013
 (With Comparative Totals, December 31, 2012)

	NO. 1	NO. 2	NO. 3	NO. 4	NO. 5	NO. 6	NO. 7	NO. 8	2014	2013
ASSETS										
Cash and cash equivalents	\$71,128	\$31,345	\$106,247	\$99,431	\$3,051	\$1,296	\$67,206	\$6,173	\$385,878	\$329,705
Receivables	48,232	23,434	59,908	34,286	59,472	7,433	53,897	18,279	304,941	311,789
Interfund receivables		4,649							4,649	4,649
TOTAL ASSETS	\$119,360	\$59,428	\$166,155	\$133,717	\$62,523	\$8,729	\$121,103	\$24,452	\$695,468	\$646,142
LIABILITIES AND FUND EQUITY										
Liabilities:										
Accounts payable	\$1,632	\$745	\$2,133		\$2,087	\$241	\$4,959	\$595	\$12,392	\$12,204
Interfund payables	4,649								4,649	4,649
Total liabilities	6,281	745	2,133	NONE	2,087	241	4,959	595	17,041	16,852
Fund balance - restricted for public works	113,079	58,682	164,022	133,717	60,437	8,489	116,143	23,857	678,427	629,290
TOTAL LIABILITIES AND FUND BALANCE	\$119,360	\$59,428	\$166,155	\$133,717	\$62,523	\$8,729	\$121,103	\$24,452	\$695,468	\$646,142

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS -
 ROAD DISTRICT CONSTRUCTION FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 2013
 (With Comparative Totals for the Year Ended December 31, 2012)

	NO. 1	NO. 2	NO. 3	NO. 4	NO. 5	NO. 6	NO. 7	NO. 8	2014	2013
REVENUES										
Taxes - ad valorem	\$43,996	\$20,070	\$56,746	\$32,774	\$56,486	\$6,811	\$48,957	\$26,956	\$292,796	\$315,537
State funds	4,411	4,230	2,959	1,618	1,773	746	5,132	5,300	26,169	27,649
Use of money and property	44	28	58	64	21	3	52	12	283	786
Total revenues	48,452	24,328	59,763	34,457	58,281	7,560	54,141	32,268	319,248	343,972
EXPENDITURES										
Current - public works	29,281	29,810	16,125	33,211	68,112	6,217	54,449	32,907	270,111	277,815
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	19,171	(5,482)	43,638	1,245	(9,831)	1,344	(308)	(639)	49,137	66,156
OTHER FINANCING SOURCES										
Operating transfers in										4,646
Operating transfers out										(4,743)
Total other financing sources	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	(97)
NET CHANGE IN FUND BALANCE	19,171	(5,482)	43,638	1,245	(9,831)	1,344	(308)	(639)	49,137	66,059
FUND BALANCE AT BEGINNING OF YEAR	93,909	64,164	120,385	132,472	70,268	7,145	116,451	24,497	629,290	563,231
FUND BALANCE AT END OF YEAR	\$113,079	\$58,682	\$164,022	\$133,717	\$60,437	\$8,489	\$116,143	\$23,858	\$678,427	\$629,290

See independent auditor's report.

VERNON PARISH POLICE JURY, PRIMARY GOVERNMENT
LEESVILLE, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
GOVERNMENTAL FUNDS
NONMAJOR DEBT SERVICE FUNDS

COMBINING SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS

Combining Balance Sheet, December 31, 2014
 (With Comparative Totals, December 31, 2013)

	PUBLIC BUILDINGS	ROAD IMPROVEMENT	2014	2013
ASSETS				
Cash and cash equivalents	\$805,610	\$3	\$805,613	\$860,746
Receivables	303,063		303,063	271,702
TOTAL ASSETS	\$1,108,673	\$3	\$1,108,676	\$1,132,448
LIABILITIES AND FUND BALANCE				
Liabilities - accounts payable	\$10,405	NONE	\$10,405	\$9,297
Fund balance - restricted for debt service	1,098,268	\$3	1,098,271	1,123,151
TOTAL LIABILITIES AND FUND BALANCE	\$1,108,673	\$3	\$1,108,676	\$1,132,448

See independent auditor's report.

Schedule 19
 VERNON PARISH POLICE JURY
 Leesville, Louisiana
 GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 2014
 (With Comparative Totals for the Year Ended December 31, 2013)

	PUBLIC BUILDINGS	ROAD IMPROVEMENT	2014	2013
REVENUES				
Taxes - ad valorem	\$623,417		\$623,417	\$587,004
Use of money and property	480		480	1,540
Miscellaneous	9,297		9,297	479
Total revenues	633,194	NONE	633,194	589,023
EXPENDITURES				
Current - general government -				
finance and administration	11,105		11,105	9,948
Debt service	646,969		646,969	642,679
Total expenditures	658,074	NONE	658,074	652,627
NET CHANGE IN FUND BALANCE	(24,880)	NONE	(24,880)	(63,605)
FUND BALANCE AT BEGINNING OF YEAR	1,123,148	3	1,123,151	1,186,755
FUND BALANCE AT END OF YEAR	\$1,098,268	\$3	\$1,098,271	\$1,123,151

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECT FUNDS

Combined Balance Sheet, December 31, 2014
 (With Comparative Totals, December 31, 2013)

	WATER IMPROVEMENTS	STREET REHABILITATION	2014	2013
ASSETS	-----	-----	-----	-----
Receivables	\$7,500	NONE	\$7,500	NONE
	=====	=====	=====	=====
LIABILITIES AND FUND BALANCE	-----	-----	-----	-----
Liabilities:				
Accounts, salaries, and other payables	\$7,500	NONE	\$7,500	NONE
	-----	-----	-----	-----
Fund balance - restricted for capital projects	NONE	NONE	NONE	NONE
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCE	7,500	NONE	7,500	NONE
	=====	=====	=====	=====

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS

Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013
 (With Comparative Totals for the Year Ended December 31, 2013)

	WATER IMPROVEMENTS	STREET REHABILITATION	2014	2013
REVENUES				
Intergovernmental - federal funds	\$47,960		\$47,960	\$214,262
Total revenues	47,960	NONE	47,960	214,262
EXPENDITURES				
Economic development	47,960		47,960	214,262
Total expenditures	47,960	NONE	47,960	214,262
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	NONE	NONE	NONE	NONE
FUND BALANCE AT BEGINNING OF YEAR	NONE	NONE	NONE	NONE
FUND BALANCE AT END OF YEAR	NONE	NONE	NONE	NONE

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 2014

COMPENSATION PAID POLICE JURORS

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation, not to exceed the maximum provided by Louisiana law.

Bailey, Charnel J.	\$14,000
Blair, Jerry W.	14,400
Clay, Curtis L.	14,400
Cryer, Joseph E.	14,400
Dowden, Howard E.	14,400
Grimes, Jackie L.	14,400
Haymon, Kenny R.	14,400
Haymon, Melvin R.	14,400
Johnson, Reginald D.	14,400
Kay, Michael L.	14,480
McMahon, Tommy L.	14,400
Tuck, James B.	14,400

Totals	\$172,800 =====

See independent auditor's report.

VERNON PARISH POLICE JURY
Leesville, Louisiana

Schedule of Compensation, Reimbursements, Benefits, and Other
Payments to Agency Head, Political Subdivision Head, or Chief
Executive Officer
For the Year Ended December 31, 2014

	James B. Tuck - President

Gross salary	\$14,400
Benefits:	
Insurance	\$21,228
Retirement	1,332
Per diem	601
Transportation - mileage	745
Lodging	9
Meals	116

Totals	\$38,431
	=====

See independent auditor's report.

VERNON PARISH POLICE JURY
 Leesville, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS

Schedule of Changes in Deposit Balances
 For the Year Ended December 31, 2014
 (With Comparative Totals for the Year Ended December 31, 2013)

	Sales Tax	Hotel Motel Tax	2014	2013
Deposit Balance at Beginning of Year	\$1,039,519	\$15,992	\$1,055,511	\$1,161,992
Additions				
Sales tax collections	9,074,063	306,021	9,380,084	9,219,056
Use of money and property	132	0	132	415
Total additions	9,074,195	306,022	9,380,216	9,219,471
Total	10,113,714	322,014	10,435,727	10,381,463
Reductions				
Finance and administration	160,681	4,827	165,508	275,858
Settled to taxing bodies and others	8,805,245	317,046	9,122,291	9,050,094
Total reductions	8,965,926	321,873	9,287,799	9,325,952
Deposit Balance at End of Year	\$1,147,788	\$140	\$1,147,928	\$1,055,511

See independent auditor's report.

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT
55 Terra Avenue
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

VERNON PARISH POLICE JURY
Leesville, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Parish Police Jury, Leesville, Louisiana, as of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the basic financial statements of the primary government and have issued my report thereon dated June 30, 2015. .

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the entity's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether entity's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* .

VERNON PARISH POLICE JURY
Leesville, Louisiana
GAO Report
(Continued)

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute (LSA-R.S.) 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 30, 2015

OTHER REPORTS REQUIRED BY
OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-133

The following pages contain reports on the schedule of federal financial assistance, consideration of internal control, and compliance with laws and regulations required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the *Single Audit Act*, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

HERBIE W. WAY
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REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133

INDEPENDENT AUDITOR'S REPORT

VERNON PARISH POLICE JURY
Leesville, Louisiana

COMPLIANCE

I have audited the Vernon Parish Police Jury's, primary government, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014. Vernon Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on compliance for each of the entity's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the entity's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the entity's compliance.

I believe my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide legal determination of the entity's compliance.

OPINION ON EACH MAJOR FEDERAL PROGRAM

In my opinion, the entity complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the entity is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the entity's internal control over compliance with the requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing my opinion on compliance with each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the entity's internal control over compliance.

A deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute (LSA-R.S.) 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

I have audited the financial statements of the Vernon Parish Police Jury, primary government, as of and for the year ended December 31, 2014, and have issued my report thereon dated June 30, 2015, with contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor financial statements and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 30, 2015

VERNON PARISH POLICE JURY
Leesville, Louisiana

Schedule of Expenditure of Federal Awards
For the Year Ended December 31, 2014

Vernon Parish Police Jury
Leesville, Louisiana
Schedule of Federal Financial Assistance
For the Year Ending December 31, 2014

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME PROGRAM NAME	CFDA NUMBER	PASS THROUGH NUMBER	EXPENDITURES

UNITED STATES DEPARTMENT OF AGRICULTURE			-----
Passed through Louisiana Department of Treasury - Schools and Roads - Grants to States	10.665	NFR47	\$169,953

Total United States Department of Agriculture			169,953

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			

Passed through Louisiana Division of Administration - Office of Planning and Development:			
Community Development Block Grants	14.228	629681	47,960
Disaster Recovery		58BED17201	764,780

Total			812,740

Emergency Solutions Grant Program	14.231	ESGP	59,745

Total United States Department of Housing and Urban Development			872,485

UNITED STATES DEPARTMENT OF DEFENSE			

Passed through Louisiana Department of the Treasury - Timber sales	12.000		2,356

Total United States Department of Defense			2,356

See Independent Auditor's Report.

Vernon Parish Police Jury
Leesville, Louisiana
Schedule of Federal Financial Assistance
For the Year Ending December 31, 2014

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME PROGRAM NAME	CFDA NUMBER	PASS THROUGH NUMBER	EXPENDITURES
UNITED STATES DEPARTMENT OF AGRICULTURE			
Passed through Louisiana Department of Treasury - Schools and Roads - Grants to States	10.665	NFR47	\$169,953
Total United States Department of Agriculture			169,953
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Louisiana Division of Administration - Office of Planning and Development:			
Community Development Block Grants	14.228	629681	47,960
Disaster Recovery		58BED17201	764,780
Total			812,740
Passed through Louisiana Department of Children and Family Services: Emergency Solutions Grant Program	14.231	ESGP	59,745
Total United States Department of Housing and Urban Development			872,485
UNITED STATES DEPARTMENT OF DEFENSE			
Passed through Louisiana Department of the Treasury - Timber sales	12.000		2,356
Total United States Department of Defense			2,356

See Independent Auditor's Report.

Vernon Parish Police Jury
Leesville, Louisiana
Schedule of Federal Financial Assistance
For the Year Ending December 31, 2014

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME PROGRAM NAME	CFDA NUMBER	PASS THROUGH NUMBER	EXPENDITURES

UNITED STATES DEPARTMENT OF JUSTICE			

Direct program - Drug Court Discretionary Grant Program	16.585		77,082

Total United States Department of Justice			77,082

UNITED STATES DEPARTMENT OF LABOR			

Passed through Louisiana Department of Labor -			
Workforce Investment Act - Adult Program	17.258	LWIA 50	231,498
Workforce Investment Act - Youth Activities	17.259	LWIA 50	271,070
Workforce Investment Act - Dislocated Workers	17.260-ARRA	LWIA 50	217,019

Total Workforce Investment Act			719,587

Total United States Department of Labor			719,587

UNITED STATES DEPARTMENT OF TRANSPORTATION			

Passed through Louisiana Department of			
Transportation and Development - Formula Grants			
for Other than Urbanized Areas	20.509-ARRA		171,935

Total United States Department of Transportation			171,935

See Independent Auditor's Report.

Vernon Parish Police Jury
Leesville, Louisiana
Schedule of Federal Financial Assistance
For the Year Ending December 31, 2014

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME PROGRAM NAME	CFDA NUMBER	PASS THROUGH NUMBER	EXPENDITURES
UNITED STATES DEPARTMENT OF HOMELAND SECURITY			
Passed through Louisiana Office of Emergency Preparedness: Hazard Mitigation Grant Program	97.039		\$10,254
Total United States Department of Homeland Security			10,254
UNITED STATES DEPARTMENT OF THE INTERIOR			
Direct program - Payments-in-lieu of taxes	15.226		56,137
Total United States Department of the Interior			56,137
Total Expenditures			\$2,079,788

See Independent Auditor's Report.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

VERNON PARISH POLICE JURY
 Leesville, Louisiana

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued.	Unqualified
Internal control over financial reporting:	
Material weakness identified?	No
Reportable condition identified not considered a material weakness?	No
Noncompliance material to the financial statements noted?	No

Federal Awards

The Schedule of Expenditure of Federal Awards has been prepared on a modified accrual basis of accounting consistent with the Governmental Fund financial statements.

CFDA No. 20.509 - Formula Grants for Other than Urbanized Areas has been passed through to the Vernon Council on Aging, a non-profit organization.

Internal Control over major programs:

Material weakness identified?	No
Reportable condition identified not considered to be a material weakness?	No
Type of auditor's report issued on compliance for major programs.	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 Section 510(a)?	No
Dollar threshold used to distinguish between Type A and Type B Programs.	\$300,000

See Independent Auditor's Report.

VERNON PARISH POLICE JURY
Leesville, Louisiana
Schedule of Findings and Questioned Costs
(Continued)

The following have been assessed as a major program:

Workforce Investment Act Cluster, including:

CFDA No. 17.258 - Adult Program

CFDA No. 17.259 - Youth Program

CFDA No. 17.260 - Dislocated Worker Program

CFDA No. 20.509(AARA) - Formula Grants for Other Than Urbanized Areas

Auditee qualified as low risk auditee?

Yes

Section II - Financial Statement Findings

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Section III - Federal Award Findings and Questioned Costs

The audit disclosed no findings or questioned costs relating to expenditure of Federal Awards.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 30, 2015

See Independent Auditor's Report.